EXHIBIT JPX 28

MEMORANDUM

To: Interested Parties

From: Darren Glatt
Josh Schwartz
Eric Zinterhofer

Date: March 10, 2008

Re: **Charter Communications, Inc.**
Update on Purchases of Senior Notes

I. Situation Update

The purpose of this memo is to update the group on the team's position in the debt securities of Charter Communications Inc. ("Charter" or the "Company"), the fourth largest multiple system operator ("MSO") in the US. As articulated in our prior two memos, our investment thesis is predicated upon the (i) opportunity created by the current trading levels of the Company's debt, (ii) team's favorable view of cable sector, particularly the defensive nature of its businesses, (iii) strong near-term growth expectations for Charter given the current rollout of its enhanced digital services and (iv) general confidence in the sustainable valuation/multiple levels for the Company and industry. Our comments are organized to provide the group with an update on recent trends for the business and sector. We also explain why we are supportive of raising our investment threshold, due to a re-confirmation of our liquidity analysis and potentially interesting restructuring scenarios which would require a meaningful investment.

As of Friday, March 7th, PE, in conjunction with SVF, has accumulated an aggregate $553 million face value position across the CCH I Holdings ("CIH") and CCH I ("CCH I") entities. Our aggregate $368 million face value position in the CIH debt (including SVF) represents 14.5% of the $2.5 billion aggregate face value principal among the six tranches within the CIH entity. Our aggregate $185 million face value position in the CCH I debt (including SVF) represents 4.5% of the $4.1 billion aggregate face value principal among the two tranches within the CCH I entity.

To date, Apollo has invested $346 million (including payment of accrued interest) to acquire the $553 million face value notes, which implies a weighted average purchase price of 62.6 including accrued interest (60.6 excluding accrued interest). Of the $346 million of total invested capital, PE has invested $277 million pursuant to a predetermined funding split of 80/20 between PE and SVF. The investments we have made to date imply weighted average yields as follows: 18.9% CY, 23.4% YTM, 33.8% YTP in 3 years, 28.9% YTP in 4 years and 26.1% YTP in 5 years. The table below summarizes Apollo's current position (including SVF) in the two distinct Charter entities with the corresponding cash invested and average price for each tranche.

Summary of Current Positions (Total Apollo Including SVF) *($ in millions)*

		Face Value			Cash	Wtd Avg			Yield-to-Par		
Coupon	Maturity	Aggregate	Invested	% of Total	Invested[1]	Cost[2]	CY	YTM	3 Years	4 Years	5 Years
CIH:											
11.750%	5/15/14	$815.0	$84.1	10.3%	$47.9	54.703	21.5%	27.4%	39.8%	33.8%	30.3%
13.500%	1/15/14	581.0	54.7	9.4%	36.4	65.456	20.6%	25.8%	34.1%	29.9%	27.4%
9.920%	4/1/14	471.0	90.1	19.1%	49.5	51.351	19.3%	25.7%	38.8%	32.3%	28.6%
10.000%	5/15/14	299.0	31.6	10.6%	17.2	51.869	19.3%	25.9%	39.4%	32.8%	29.1%
12.125%	1/15/15	217.0	77.6	35.8%	44.6	55.965	21.6%	27.0%	40.1%	34.1%	30.7%
11.125%	1/15/14	151.0	30.0	19.9%	15.2	50.083	22.2%	30.7%	45.5%	37.9%	33.6%
TOTAL / AVERAGE		**$2,534.0**	**$368.1**	**14.5%**	**$210.9**	**55.473**	**20.7%**	**26.8%**	**39.0%**	**33.0%**	**29.6%**
CCH I:											
11.000%	10/1/15	$4,083.0	$185.2	4.5%	$135.3	68.544	16.0%	18.2%	25.6%	22.5%	20.7%
TOTAL / AVERAGE		**$6,617.0**	**$553.3**	**8.4%**	**$346.2**	**60.581**	**18.9%**	**23.4%**	**33.8%**	**28.9%**	**26.1%**

Note: Assumes entry and exit on December 13 of each year where applicable.
Note: Weighted averages calculated off of percent cash invested.
(1) Includes payment of accrued interest.
(2) Excludes payment of accrued interest.

Since our last discussion, all of the major MSOs have reported very strong financial results for Q4 '07 and FY '07, with Charter, Comcast, Time Warner and Cablevision all generating impressive levels of growth that were in line with analyst expectations. Sections III and V provide more detail on current trending for Charter and the cable sector, respectively. The strong performance has caused the cable sector to trade up from an average, excluding Charter, of 6.1x FY '08E EBITDA or 6.8x LTM EBITDA in mid-January to 6.3x FY '08 EBITDA or 6.9x LTM EBITDA today, which is still a trough level relative to historical multiples. The results have also caused portions of Charter's capital structure to trade up. Charter's performance over the last five quarters, during which time it has achieve double digit rates of growth in both revenue and EBITDA, instills confidence that the Company can achieve growth that approaches our Base Case projections, which imply a 7.7% FY '07-'12 EBITDA CAGR (9.5% FY '07-'10), versus our Downside Case projections, which imply a 3.5% FY '07-'12 EBITDA CAGR (6.0% FY '07-'10).

Our liquidity analysis, which is outlined in detail in Section II, has been updated and informed by the Company's recently reported results, our work with advisers, and our participation in two investor sessions with Charter management. Based on our work, we believe Charter has access to adequate liquidity to fund its FCF requirements through September 2010 under both the Base and Downside Cases. Further, to the extent the Company is capital constrained, there is a high likelihood that Paul Allen would solve a near-term liquidity issue by backstopping a potential debt offering or directly investing at some intermediate level within the capital structure. Paul has historically demonstrated his willingness to bridge the Company's FCF needs during challenging times given the significant level of capital he has invested in the business, which we estimate to be ~$7.5 billion since inception. Additionally, there could be some personal tax consequences for Paul Allen in a bankruptcy situation that may motivate him to ensure the Company remains solvent. Paul Allen's investment in Charter has been made through two entities, which are structured as S-Corps for taxes purposes and, until 2003, diverted tax losses away from the Company for their own benefit. Since the only underlying assets of the entities are partnership interests in the public Company, in a bankruptcy, the S-Corps would be deemed insolvent. Therefore, although Paul Allen could theoretically structure around any residual personal liability (e.g., by changing his entities from S-Corp status to C-Corp status), it is possible that certain tax liabilities could flow through the S-Corps to Paul Allen to the extent any taxable income event is created in bankruptcy, including potential income created from the sale of assets or gains from sale of partnerships interests. The converse of this is that an out of court restructuring, which involves cancellation of indebtedness ("COD") income, may be less palatable to Paul Allen. In Chapter 11 bankruptcy, all COD income is excluded even if and to the extent it renders the bankrupt entity solvent. However, in the case of an insolvency claim arising

outside of bankruptcy, the amount of COD that is excluded is limited to the amount of debt discharged that does not cause the entity to be solvent. Therefore, in an out of court restructuring that results in significant improvement to the solvency of the entity, the S-Corps would recognize COD income that would flow through to Paul Allen.

As reflected in our current investment position, our initial focus has been the CIH class of securities, which currently finance down to 9.1x FY '07 EBITDA at par and 8.5x at market. In order for us to have confidence that the CIH notes could be redeemed at par, we would need to believe that the Company could (i) raise its $1.0 billion uncommitted incremental term loan facility to fund FCF requirements in FY '09 and FY '10, (ii) refinance the $2.2 billion of CCH II notes that mature in September 2010 and (iii) secure an additional ~$500 million of capital to fund operating losses generated through FY '12, after which point we estimate the Company will break even under our Base Case assumptions. While we believe these factors to be achievable, we have based our investment thesis on the premise that CIH would be the fulcrum security in a potential 2010 restructuring. This is generally supported by the fact that in Q3 '10, our CIH purchases, at prevailing market prices, finance to 7.2x trailing EBITDA under our Base Case and 7.9x in our Downside Case. This is in the range of the current trough multiples for Charter's cable MSO peers, who are trading at an average of 6.9x trailing EBITDA. The major impairment threat to CIH would be to the extent the Company was unable to raise the necessarily level of post-restructuring debt to provide full recovery for CCH I bondholders, thereby diluting the level of post-restructuring equity that CIH bondholders could garner. For example, by Q3 '10, the CCH I notes finance down to 6.7x LTM EBITDA at par in the Base Case. Post-restructuring, assuming the Company is valued at 7.0x and the lenders are only willing to provide 6.0x leverage, the CCH I bondholders would earn 70% of the equity, leaving CIH bondholders with 30% of the equity.

Although we maintain a favorable view of the potential long-term value generated by the CIH notes, we believe it is sensible to hedge between CIH and highly liquid CCH I bonds in case a more pessimistic scenario develops, specifically one in which (i) the Company performs along the lines of our Downside Case, (ii) the weak credit environment persists and (iii) cable valuations remain at trough levels. The following is a summary of the primary factors influencing our decision to accelerate our purchases of CCH I securities, which we believe provide an attractive risk/reward whether a restructuring occurs in FY '09, FY '10, or at all.

- *Greater Alternatives* - Should a restructuring materialize, we believe the dispute for value recovery will be waged between the CCH I and CIH bondholders. As a result, we believe that holding a sizable position in both the CIH and CCH I entities would ensure Apollo is allocated an attractive level of the post-restructuring equity and give Apollo more alternatives to navigate the bankruptcy process. Section IV outlines a few tactics we could pursue with a combined CIH/CCH I position in order to maximize value on our overall investment from a potential restructuring.

- *Investment Recouped* - The risk of the credit is mitigated by the fact that through September 2010, we will have recouped ~39% of our investment on our existing CCH I positions (~52% on our existing CIH position) given the high yielding cash coupon payments. We will have recouped ~28% of our investment in CCH I (~37% on CIH position), should a restructuring occur by the end of 2009.

- *Financing Multiple* – By the end of 2009, the CCH I securities finance down to 7.0x LTM EBITDA at par and 6.5x LTM EBITDA at market under the Base Case, or 7.4x LTM EBITDA at par and 6.9x LTM EBITDA at market under the Downside Case. These levels are

consistent with the current valuation of Charter's MSO peers, who are trading at an average multiple of 6.9x LTM EBITDA. Therefore, despite our view of sustainable value for a cable business at 8.0x EBITDA, to the extent the currently weak environment persists, the CCH I notes finance down to a level which implies full recovery in 2009. The position is further bolstered when assessing the implied financing multiple of the CCH I notes at the inflection point in Q3 '10, when the notes finance down to 6.7x LTM EBITDA at par and 6.2x LTM EBITDA at market under the Base Case, or 7.3x LTM EBITDA at par and 6.9x LTM EBITDA at market under the Downside Case.

- *Attractive Yields* – The yields implied by the CCH I debt at current price levels exceed the prescribed Apollo return thresholds for purchases of debt securities. We are supportive of accelerating our position at prices below 72, which implies a 15.3% CY and 18.6% YTM. Given the natural inflection point in the Company's evolution is Q3 '10, it is more relevant to evaluate yields on a 3 or 4 year basis. This is because the security will likely trade to par if the Company successfully refinances its September 2010 maturities, and if not, it's highly likely the security would be redeemed at par in a restructuring given the level to which it finances at that time. The yield to par and MOIC in 3 years on our current CCH I position at a weighted average price of 68.5 are 25.6% and 1.8x, respectively (22.1% and 1.7x at yield to 90 in 3 years). **Appendix VI** provides sensitivities on CCH I yields based on a range of entry prices, exit prices and holding periods. Further, our current position in the CIH notes, which imply very attractive returns (20.7% CY, 26.8% YTM, 39.0% YTP in 3 years), provide not only flexibility in a restructuring scenario, but also supercharges returns on a larger CCH I position to the extent a restructuring is avoided. A logical question is whether these yields are sufficient as compared to the TRS structures we are exploring for less risky debt. However, the team remains positive relative to a TRS comparison, as (i) comparable yields to par in three to four years are favorable to the overall TRS target of low-to-mid 20% IRRs in 4 years (or 2.0x MOIC), (ii) should the debt trade down, we can be aggressive and buy more to improve our yields, which is less of an option in the TRS structure and (iii) should CCH I become the fulcrum in a restructuring, we will convert to equity at attractive levels and "uncap" our upside.

- *FCCR* – In Q3 '10, the FCCR at the CCH I entity, which is one level structurally senior to CIH, is 1.0x under the Base Case (0.9x under the Downside Case). Bankruptcy courts are likely to deem additional debt unsustainable, thereby providing par redemption for CCH I bondholders and post-restructuring equity for CIH bondholders. However, the coverage ratio is tight, hence our desire to straddle the classes (Note, we have been conservative on this FCCR analysis as Charter will likely reduce capex and opex should it sense an imminent restructuring). In Q3 '10, the FCCR at the CCH II entity, which is one level structurally senior to CCH I, is 1.5x under the Base Case (1.3x under the Downside Case). Given the strength of this ratio at CCH II, we are comfortable that CCH II would not be deemed the fulcrum security in a Q3 '10 restructuring, making CCH I, CIH, or both, the ultimate equity holders.

- *Creation Multiple* – Should a restructuring occur by the end of 2009 (which would only occur if the Company does not raise the incremental $1 billion facility – which we deem less likely) and the CCH I notes be deemed the fulcrum, we would convert our existing CCH I debt position into equity and create our investment at 6.2x LTM EBITDA post restructuring under the Base Case and 6.6x under the Downside Case. In a Q3 '10 restructuring scenario, to the extent the CCH I securities were deemed to be the fulcrum security, the creation multiples for our existing position in CCH I are further reduced to 5.8x LTM EBITDA under the Base Case and 6.4x LTM EBITDA under the Downside Case. Although a portion of our investment in

CIH could be wiped out in this scenario (we will have recouped 37% of our CIH investment by Q4 '09 or 52% by Q3 '10), we consider that to be the cost of acquiring a ~$20 billion TEV business at a very attractive buy-in multiple. Further, we are comfortable accumulating a large position in CCH I given the implications of the two likely extreme scenarios, one being the pessimistic scenario in which the CCH I become the fulcrum security, leaving no recovery for CIH and the other being the optimistic scenario in which the Company refinances its September 2010 maturities and remains solvent for a period of time to provide full recovery on both our CCH I and CIH positions. Under the pessimistic scenario in which CCH I becomes the fulcrum and CIH is wiped out, with a target of ~$800 million invested in CCH I, as of Q3 '10 Apollo (including SVF) will have ~$600 million of net equity invested in Charter and we will have created our Charter equity investment at 6.0x LTM EBITDA under the Base Case or 6.6x LTM EBITDA under the Downside Case. Under the optimistic scenario in which our positions in both CCH I and CIH are redeemed at par, with a target of ~$800 million invested in CCH I and ~$200 million invested in CIH, we will have generated a blended 20.0% YTM and a blended 28.4%, 24.7% and 22.6% yield to par in 3, 4 and 5 years, respectively. Given that the outcomes of these two extreme scenarios would be acceptable to the team, we are comfortable with a scenario somewhere in the middle in which CCH I and CIH share the equity.

The big risk of redirecting our focus on purchases of CCH I securities are twofold. First, the value of CCH I bonds could be impaired to the extent that credit markets are weak to such a huge degree that lenders are unwilling to provide post-restructuring financing to Charter up to the level of the CCH II notes due in September 2010, which finance down to 5.2x LTM EBITDA at par under the Base Case or 5.7x LTM at par under the Downside Case in Q3 '10. In this case, the CCH II notes would garner the post-restructuring equity. The mitigant to this risk is that 5.2x-5.7x leverage is highly manageable for a cable business, and there would likely be a number of institutions, including Apollo, who would be willing to backstop a security that would carry attractive features (e.g., high coupon, warrants, etc.). The second risk of focusing our purchases exclusively on the CCH I notes is that we could miss the opportunity to invest additional capital in the CIH class of securities, which are yielding highly attractive rates of return. The CIH notes will inevitably trade up to the extent the market recovers and the Company demonstrates its ability to raise the $1 billion incremental term loan.

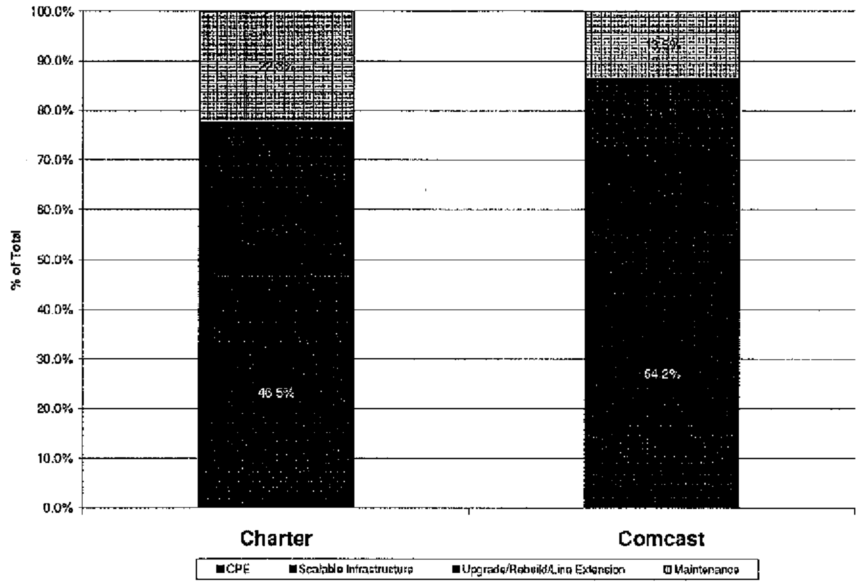
The media team would like to retain the flexibility to increase PE's position in Charter debt to $800 million, or $1.0 billion including SVF. Assuming we do not increase our position in the CIH notes, at current price levels, a $1.0 billion investment would garner ~$1.5 billion of total face value, which is split ~$1.2 billion of face value for CCH I (including our current $185 million face value position in CCH I) and $368 million of face value for CIH. At these levels, Apollo would control 28.2% of the aggregate CCH I debt (including our current 4.5% ownership of the CCH I face value principal) and 14.5% of the aggregate CIH debt. Based on the yields implied by our current positions, the blended CY and YTM on a $1.0 billion investment, split ~80/20 between CCH I and CIH would be 17.0% and 20.0%, respectively. We believe a $1.5 billion face value position, which will likely take 9-12 months to accumulate, will make Apollo one of the largest holders of Charter debt and a highly relevant party to Paul Allen in any discussion regarding either strategic or restructuring alternatives. Section V highlights a few tactics we could employ with a meaningful position in Charter's debt. The following table outlines the estimated split between CCH I and CIH, as well as PE and SVF for a $1.0 billion investment by Apollo.

Summary of Targeted Charter Position	PE	SFV	Total
			($ in millions)
Funding Split	80%	20%	100.0%
CIH:			
Current Capital Invested	$168.7	$42.2	$210.9
Wtd Avg Price (Excl Accrued Int)	55.5	55.5	55.5
Current Face Value Position	$294.5	$73.6	$368.1
Size of Total Class	$2,534.0	$2,534.0	$2,534.0
Apollo Face Value as a % of Total Class	*11.6%*	*2.9%*	*14.5%*
CY			20.7%
YTM			26.8%
CCH I:			
Targeted Total Capital Invested in Charter	$800.0	$200.0	$1,000.0
Current CIH Capital Invested	(168.7)	(42.2)	(210.9)
Current CCH I Capital Invested	(108.3)	(27.1)	(135.3)
Remaining Targeted Investment in CCH I	$523.0	$130.8	$653.8
Total Targeted Investment in CCH I	**$631.3**	**$157.8**	**$789.1**
Wtd Avg Price (Excl Accrued Int)	68.5	68.5	68.5
Implied Targeted Face Value Position	$921.0	$230.2	$1,151.2
Size of Total Class	$4,083.0	$4,083.0	$4,083.0
Apollo Face Value as a % of Total Class	*22.6%*	*5.6%*	*28.2%*
CY			16.0%
YTM			18.2%
Total:			
Targeted Capital Invested	**$800.0**	**$200.0**	**$1,000.0**
Weighted Average Price	**65.8**	**65.8**	**65.8**
Implied Targeted Face Value Position	**$1,215.5**	**$303.9**	**$1,519.3**
Size of Total Class	**$6,617.0**	**$6,617.0**	**$6,617.0**
Apollo Face Value as a % of Total Class	***18.4%***	***4.6%***	***23.0%***
CY			**17.0%**
YTM			**20.0%**

II. Liquidity

As we have mentioned in the past, given its significant interest and capex requirements, Charter is currently a net consumer of cash. In terms of capex, in FY '07, Charter spent $1.2 billion in capex, of which ~47% was related to spending on customer premise equipment ("CPE"), which is largely tied to subscriber growth. As a result, MSOs can conserve cash under scenarios in which they fail to generate expected levels of subscriber growth. Although our Base Case assumes a relatively constant level of $1.2 billion of annual capex spend throughout the projection period, the conservative level of growth underlying our Downside Case is driven by lower levels of subscriber additions and penetration of advanced services, which translates into lower capex spending of ~$1.1 billion per year throughout the projection period. We feel this level of capex is conservative for a Downside Case given the Company's ability to reduce spending, but we have maintained this level in order to ensure that expenditures on CPE are, on average, 40% of total spending, given cable companies' propensity to upgrade/replace equipment with changes in technology. The chart below compares the composition of FY '07 capex spending for Charter and Comcast. Charter expects to incur $1.2 billion spending for capex in FY '08, of which 75% will be directed towards success-based activities. Further, Comcast believes that a significant portion of its capex spending is tied to "profitable" growth, with 65-70% related to growth, 25-30% related to maintenance requirements and 5-10% discretionary in nature. This instills confidence that the MSOs, including Charter, can conserve cash under weak operating environments.

FY '07 Capex Spending Comparison
Charter Vs. Comcast



In terms of interest expense, Charter's ~$20 billion of debt outstanding as of December 31, 2007 drove the Company to incur ~$1.8 billion of net cash interest expense in FY '07, which implies a blended rate of 9% on its debt. The Company will be unable to realize the full impact of reduced rates given the fixed nature of its capital structure. Of the Company's $20 billion debt load, management has stated that 85% or $17 billion is based on a fixed rate and 15% or $3 billion is based on a variable rate. As of December 31, 2007, the company maintained $7.2 billion of floating rate debt, which would imply that ~40% of the bank debt would carry the prevailing market LIBOR rate and 60% would be based on an average locked in LIBOR rate of 4.93%. Management has stated that the Company's swaps are generally 5-6 years in duration. Of the $4.3 billion of debt for which the Company has locked in LIBOR, $500 million is fixed through 2010, $300 million through 2011, $2.5 billion through 2012 and $1 billion through 2013.

For the purposes of our distressed debt analysis, we have focused much of our attention on the cash flow needs of the business through the likely inflection point in September 2010, at which point the Company will either (a) successfully refinance its $2.2 billion of CCH II debt maturities or (b) default on the maturities and experience a restructuring. Through Q4 '09 under the Base Case, we expect the Company to consume $1.03 billion of FCF, or $1.48 billion including ~$450 million of debt maturities and mandatory amortization requirements. Under the Downside Case, we expect the Company to consume $1.06 billion of FCF through the end of FY '09, or $1.51 billion including the debt maturities and amortization requirements. Through Q3 '10, excluding the $2.2 billion of CCH II debt maturities, additional operating cash flow and debt amortization/maturities bring the cumulative FCF consumption to $1.75 billion under the Base Case or $1.88 billion under the Downside Case. Note, there is little disparity in the level of cash consumed under the Base and Downside Cases since, as we have mentioned, ~50% of capex requirements are tied to growth in subscribers. **Appendix V** provides a summary of the FCF requirements of the business under both the Base and Downside Cases.

As the summary liquidity metrics in **Appendix V** demonstrate, the Company has access to sufficient funds to satisfy 100% of its FCF requirements through Q3 '10 under both the Base and Downside Cases. In terms of liquidity, the Company maintains $2.08 billion of aggregate funding capacity, which is comprised of (i) $1.0 billion of unfunded revolver capacity as of December 2007, (ii) $1.0 billion of uncommitted incremental term loan and (iii) $75 million of cash on the balance sheet as of December 2007. Based on our read of the credit agreement, which has been confirmed by our advisors, given leverage constraints under the second lien indenture, as of December 2007, Charter can only access ~$180 million of the incremental term loan. Charter management contends that they can access the full $1.0 incremental facility today, regardless of the perceived constraints in the credit agreement. We are satisfied since as EBITDA grows this year, the Company builds the capacity to access close to 100% of the incremental term loan by the end of 2008, which is when the Company faces the need for liquidity beyond the revolver. The Company maintains the flexibility to raise the incremental facility in three separate draws so it can access smaller proportions of the facility while building higher levels of capacity for future needs. Our liquidity analysis is consistent with the comments shared by management on its recent earnings call. Management admitted that it will need to obtain additional sources of liquidity (e.g., incremental term loan) by early 2009 given that it expects cash on hand, cash flows from operating activities and the amounts available under its credit facilities (e.g., revolver) will be adequate to meet its projected cash flow needs only through Q2 '09 or Q3 '09.

Redacted for Privilege

1. *Going Concern* – The credit agreement requires that the Company deliver audited financials with a "clean" opinion from the auditors, specifically one that is free of going concern language. If a going concern opinion is issued, the Company would be in default under the credit agreement, restricting its ability to both draw under the revolver, as well as access the incremental facility. The earliest the Company would receive a going concern opinion is in March 2009, when it's closer to facing the September 2010 maturities. We believe the Company will look to raise the full incremental facility by the end of 2008, when EBITDA peaks. Alternatively, it could access portions of the facility in the near-term under a series of smaller draws before a potential going concern opinion is issued.

2. *Price* – Pricing is another issue that could impair the Company's ability to raise the incremental facility. The existing language in the credit agreement stipulates that pricing is to be agreed upon between the Charter and the new lenders, and specifically that there is no MFN pricing for existing lenders. Therefore, if the currently weak credit environment persists, Charter would likely be able to raise the sufficient funds, albeit at some exorbitant rate and possibly through an alternative provider of capital (e.g., Goldman Mezzanine, Highland Capital, etc.). Alternatively, given Paul Allen's level of commitment in Charter (e.g., $7.5 billion invested), it is likely that he would backstop any incremental borrowings or directly provide the necessary funds to ensure the Company remains solvent. We are confident there will be sufficient investor demand to allow the Company to raise the incremental facility given that it would finance down to 4.6x at par by the end of FY '08 under the Downside Case or 4.5x at par under the Base Case. The security is highly likely to be money good in a restructuring scenario, particularly given how these multiples compare to the current trough level trading

multiples of Charter's peers, who are trading at 6.9x trailing or 6.3x forward EBITDA. It is also likely to continue to get paid current interest if a restructuring occurs, as all entities senior to CCH II will certainly remain solvent.

III. Charter Operating/Trading Trends

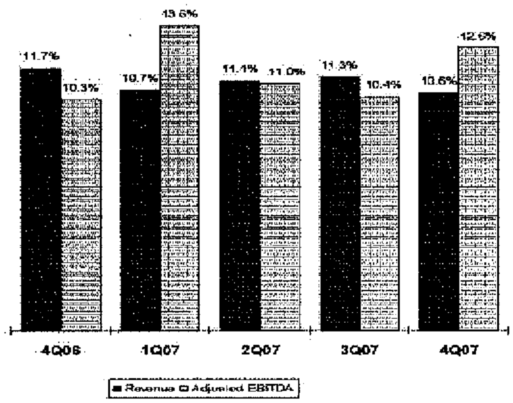
Charter recently announced results for its fiscal year ended December 31, 2007. As of December 31, 2007, Charter served 5.6 million distinct customers. The Company's 11.8 million revenue generating units ("RGUs"), which are comprised of 5.2 million analog video, 2.9 million digital video, 2.7 million high speed data, and 959K telephony customers, increased by 836K for the full year, representing 7.6% y-o-y growth in RGUs over FY '06. Although the Company continues to lose analog subscribers, the telephony and data services continue to demonstrate strong momentum in subscriber growth, with 513K and 289K additions during FY '07, representing a 115% and 12% y-o-y increase, respectively. ARPU increased 12.9% y-o-y to $97.99 for Q4 '07, driven primarily by bundling, advanced services growth and upgrading customers to higher Internet speeds and programming tiers. For FY '07, revenue and EBITDA increased 10.9% and 11.9% y-o-y, respectively. The table below provides a comparison of actual results for FY '07 to actual results for FY '06, as well as to Apollo's estimated results for FY '07. Actual results for FY '07 were in line with the team's expectations.

Financial Results - FY '07 Vs. FY '06 *($ in millions)*

	Actual FY '07	Actual FY '06	Y-O-Y Change Δ	Y-O-Y Change %	Apollo FY '07	Difference From Actual Δ	Difference From Actual %
RGUs EOY (000's):							
Basic	5,220	5,336	(116)	(2.2%)	5,296	(76)	(1.4%)
Digital	2,920	2,770	150	5.4%	2,913	8	0.3%
Data	2,683	2,393	289	12.1%	2,876	(194)	(6.7%)
Telephony	959	446	513	114.9%	824	136	16.5%
Total RGUs	**11,782**	**10,946**	**836**	**7.6%**	**11,908**	**(126)**	**(1.1%)**
Penetration Stats:							
Basic	44.1%	46.3%	(2.2%)	NM	45.0%	(0.9%)	NM
Digital	24.8%	24.3%	0.5%	NM	25.0%	(0.2%)	NM
Data	24.3%	22.2%	2.1%	NM	26.0%	(1.7%)	NM
Telephony	10.6%	6.6%	4.0%	NM	10.0%	0.6%	NM
Revenue:							
Video	$3,370.0	$3,264.0	$106.0	3.2%	$3,583.4	($213.4)	(6.0%)
Data	1,248.0	1,036.0	212.0	20.5%	1,207.8	40.2	3.3%
Telephony	343.0	135.0	208.0	154.1%	290.8	52.2	18.0%
Advertising	297.0	315.0	(18.0)	(5.7%)	331.8	(34.8)	(10.5%)
Commercial	339.0	297.0	42.0	14.1%	312.9	26.1	8.3%
Other	374.0	336.0	38.0	11.3%	262.5	111.5	42.5%
Total Revenue	**$5,971.0**	**$5,383.0**	**$588.0**	**10.9%**	**$5,989.2**	**($18.2)**	**(0.3%)**
EBITDA	**$2,101.0**	**$1,878.0**	**$223.0**	**11.9%**	**$2,109.7**	**($8.7)**	**(0.4%)**
% Margin	***35.2%***	***34.9%***			***35.2%***		
Capex	**$1,224.0**	**$1,103.0**	**$121.0**	**11.0%**	**$1,225.3**	**($1.3)**	**(0.1%)**
% of Revenue	***20.5%***	***20.5%***			***20.5%***		

As we have mentioned in the past, the Company has invested significant capital to offer its subscribers a suite of enhanced digital services, including digital video, high-speed data, telephony, HD, VOD and DVR. Charter was somewhat late to rolling out these services, which had caused it to historically underperform its peers on nearly every operating metric. However, Charter's recent results reflect its ability to accelerate the sale of advanced services to its customers and avoid competitive pressures from the telcos, who market their video services across only 7% of Charter's footprint. Rolling out additional services has also enabled Charter to capture more RGUs per customer through bundling. Service bundling, particularly the "triple play", which is a combination of video, data and voice services, serves not only to increase the level of overall ARPU given the higher proportion of services purchased by the customer, but

also reduce the level of subscriber churn given the stickiness of the relationship (single service churn estimated to drop by 40% in a bundle). Charter maintained 47% bundled penetration of its customer base as of December 2007, which is up from 40% during the prior year. Additionally, the level of churn in basic analog subscribers has proven to be lower in markets in which the Company maintains >10% penetration of telephony services. As the graph below demonstrates, with the rollout of its enhanced suite of digital services, Charter has been able to experience consistent double digit y-o-y growth in revenue and EBITDA during the past five quarters.



Charter's earnings announcement drove increases in the prices of most of its debt, particularly the CCH I notes, which are generally considered a benchmark of the high yield sector. The CCH I notes moved up 2-3 points to 72/73, outperforming the overall market on that day. The price of the CCH I notes have since stabilized at 70, which is well within our maximum price threshold of 72. Along with the reporting of its financial results, management shared some high level guidance on its liquidity situation, which caused the prices of the CIH debt to remain relatively unchanged at the 50 level, despite the Company's strong operating performance. Management articulated that although the Company had $1 billion of availability under its revolver as of December 31, 2007, this would only be adequate to meet its projected cash flow needs through the second or third quarter of 2009, which is consistent with our liquidity analysis in Section II. As a result, the Company will need to obtain additional sources of liquidity (e.g., the $1 billion incremental term loan) by early 2009, particularly in advance of a potential going-concern opinion that could be issued by auditors in March 2009 given the impending debt maturities of $2.2 billion in September 2010. This news provided some degree of risk around a near-term restructuring. At current prices, the CIH debt trades at 8.5x FY '07 EBITDA, which exceeds the 6.9x trailing trading level of Charter's MSO comparables. This has caused the market to approach the CIH debt with general caution since its value could be meaningfully impaired should a restructuring materialize in the short-term.

Charter's liquidity comments also drove a ~5% one-day decline in the stock price. Charter is currently trading at $0.96 per share, which implies an equity market capitalization of $707.9 million. As we have highlighted in the past, the Company's ~$20 billion of net debt is propping up its enterprise valuation, which at the current price, implies 9.1x FY '08E EBITDA, 18.9x FY '08E EBITDA-capex, 12.8x FY '08E EBITDA-maintenance capex, or $4,038 per basic subscriber. Employing the market value of debt for each of its tranches, the Company trades at 7.6x FY '08E EBITDA, 15.9x EBITDA-capex, 10.8x FY '08E EBITDA-maintenance capex, or $3,398 per basic subscriber. Charter's share price has traded down 12.7% or $0.14 per share since January 14, 2008, the date of our last discussion with the group. However, given the

diminished nature of the Company's equity value relative to its debt load, the implied multiples do not vary much with incremental changes in share price.

Although Charter has demonstrated a strong recent track record of growth, the media team has maintained a level of conservatism for the purposes of our projections. While we hold confidence in our Base Case, which has been informed by the team's diligence work, we have predicated much of our analysis of Charter debt on our Downside Case, which reflects a heightened level of risk to the cable MSO business, particularly those posed by a challenging housing market and competitive pressures of telco rivals. The Downside Case implies a 3.5% FY '07-'12 EBITDA CAGR, versus 7.7% FY '07-'12 under the Base Case. Note, given the near-term growth opportunities, the implied CAGRs are higher when measuring growth from FY '07-'10, under which EBITDA growth is 6.0% for the Downside Case versus 9.5% for the Base Case. The major changes in the Downside Case relative to the Base Case are driven by a 2.0% per annum decline in average basic subscribers (versus 0.5% annual decline under the Base Case) and lower levels of penetration for each of the key high growth services (digital video, data and telephony). Our view is that the level of growth underlying the Downside Case, which is highly conservative relative to consensus estimates, is unlikely given the myriad of growth opportunities that Charter is positioned to capture. The table below summarizes revenue, EBITDA and capex under both the Base Case and Downside Case. **Appendix III** provides a more detail summary of the assumptions underlying each case.

Projected Operating Performance - Base Vs. Downside Case *($ in millions)*

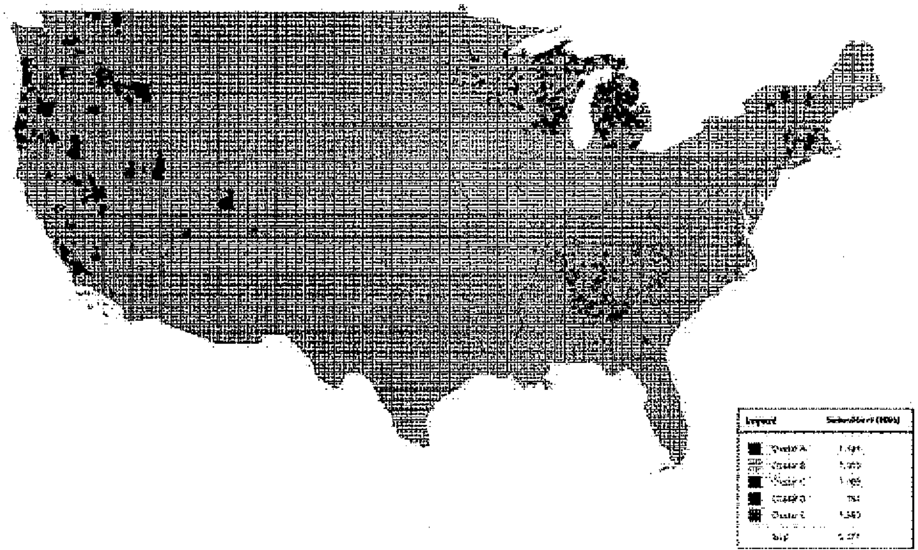
		Actual	Projected FYE December 31,					CAGR	CAGR
		2007	2008	2009	2010	2011	2012	'07-'10	'07-'12
Base Case	Revenue	$5,971.0	$6,461.5	$7,062.9	$7,547.2	$7,964.4	$8,395.3	8.1%	7.1%
	% Growth	*10.9%*	*8.2%*	*9.3%*	*6.9%*	*5.5%*	*5.4%*		
	EBITDA	$2,101.0	$2,312.6	$2,569.8	$2,761.8	$2,900.9	$3,047.0	9.5%	7.7%
	% Growth	*11.9%*	*10.1%*	*11.1%*	*7.5%*	*5.0%*	*5.0%*		
	% Margin	*35.2%*	*35.8%*	*36.4%*	*36.6%*	*36.4%*	*36.3%*		
	Capex	$1,243.9	$1,204.5	$1,201.4	$1,196.9	$1,198.5	$1,196.3	(1.3%)	(0.8%)
	% of Revenue	*20.8%*	*18.6%*	*17.0%*	*15.9%*	*15.0%*	*14.2%*		
Downside Case	Revenue	$5,971.0	$6,393.2	$6,850.5	$7,154.9	$7,361.9	$7,578.4	6.2%	4.9%
	% Growth	*10.9%*	*7.1%*	*7.2%*	*4.4%*	*2.9%*	*2.9%*		
	EBITDA	$2,101.0	$2,268.3	$2,434.6	$2,505.8	$2,499.8	$2,500.9	6.0%	3.5%
	% Growth	*11.9%*	*8.0%*	*7.3%*	*2.9%*	*(0.2%)*	*0.0%*		
	% Margin	*35.2%*	*35.5%*	*35.5%*	*35.0%*	*34.0%*	*33.0%*		
	Capex	$1,243.9	$1,133.1	$1,107.2	$1,069.8	$1,049.7	$1,028.1	(4.9%)	(3.7%)
	% of Revenue	*20.8%*	*17.7%*	*16.2%*	*15.0%*	*14.3%*	*13.6%*		

IV. Restructuring Scenarios

In conjunction with our advisors, we have developed a number of tactics we could pursue in order to mitigate the risk on our investment from a potential restructuring. We have focused on two primary alternatives, which include (i) swapping our face value position in the CIH and CCH I debt for a concentrated cluster of subscribers or (ii) using our CIH and CCH I positions to maximize post restructuring equity ownership.

Debt-For-Asset Swap

Charter's base of 5.2 million basic subscribers can be segregated into five highly concentrated clusters with critical mass. As the map below demonstrates, large clusters can be aggregated around the (i) Southeast, (ii) Midwest, (iii) New England, (iv) Southern California/Pacific Northwest and (v) Texas/Central States. In assessing clusters to target, it will be important to understand the quality of the systems, competitive dynamics in the market, and system contiguity with other MSOs.



Accumulating a sizable stake in Charter debt would provide a compelling position from which to propose a potential swap of debt for assets. In this scenario, Charter would focus not only on the level of debt reduced, but also the valuation implied by the assets that are divested. As we have mentioned earlier, at current price levels, investing $1.0 billion across the CCH I and CIH entities under a 80/20 split would equate to $1.5 billion of aggregate face value. On this basis, Charter could reduce leverage by ~0.70x based on $2.1 billion of FY '07 EBITDA and save ~$175 million of annual interest requirements (~10% of $1.8 billion of total cash interest requirements going forward). From a valuation perspective, Charter could carve out a cluster of subscribers that generate $150 million of annualized EBITDA in order to print a high headline multiple of 10x based on the face value of extinguished debt, but at the same time Apollo could create the asset at ~6.7x given the discounted basis in the debt ($1.0 billion invested for subscribers that generate $150 million of EBITDA).

Swapping debt for assets triggers tax consequences for both Charter and Apollo. From Apollo's perspective, 15% long-term capital gains tax (assuming we held our position for greater than one year) would be applied to the difference between our basis in the debt (e.g., $1.0 billion) and the FMV of the assets that we receive (e.g., $1.5 billion). However, we would generate a FMV step-up in the assets and retain the ability to amortize the value over a 15 year period. One way to reduce the capital gains tax to Apollo would be for Charter to set the FMV of the assets below the debt that is extinguished, creating cancellation of indebtedness ("COD") income. From Charter's perspective, other than any COD income, Charter would generate taxable income based on the difference between FMV and its basis in the assets. The tax implications of a debt-for-asset swap would unlikely be an impediment to a transaction for two primary reasons. First, a disposition of assets is not likely to trigger big taxable gains since Charter was founded in 1999 and subsequently aggregated a number of assets through acquisitions made at rich valuations. Second, given the negative nature of its earnings profile, Charter has amassed ~$7 billion of NOLs, which can be employed to offset taxable income, COD income, and any capital gains. An important tax consideration is whether the Company controlled NOLs would be used to offset gains, or whether the gains would get allocated to Paul Allen, who, through 2003, benefited from ~$1 billion of special losses allocated to his related entities. Unless the tax consequences can be diverted away from Paul, he may have a disincentive to support any deal.

From an indenture perspective, a number of key factors must be satisfied in order to gain the requisite level of lender approval. First, to get the assets up to the CIH entity so that they can be exchanged for debt, the Company must be in compliance with all incurrence covenants on a pro-forma basis at all levels. As the capital structure in **Appendix IV** demonstrates, the Company has a 4x first lien and 5x total leverage maintenance covenant under its credit agreement and incurrence covenants ranging from 4.50x to 8.75x at the subordinated levels. The Company is currently in compliance will all of its covenants, including its incurrence covenants at all levels. Second, the indentures dictate that 75% of consideration for assets sales be in the form of cash. Although, a debt-for-asset swap is technically not cash consideration, there are ways to finesse the definition of cash so as to appease the bondholders. For example, the indentures specify that cable assets swapped for other cable assets are deemed to be cash. Also, the Company could employ the RP carve-out given the sizeable baskets that are being built. Further, our counsel believes that the "cancellation" of debt can construed by lenders as cash, which satisfies the requirement for our purposes. Finally, we could couple a debt-for-asset swap with a backstop of the September 2010 financing at some attractive rate.

<u>Debt Modification</u>
In evaluating Charter's capital structure, it has become evident that the fulcrum security will likely be represented by either the CCH I or CIH entities. Even when considering trough industry valuations, there is clearly adequate recovery for the debt more senior to CCH I, which is CCH II, currently trading down to 5.9x FY '07 EBITDA at par and 5.8x at market. Further, we believe that the securities structurally subordinated to CIH are likely to be wiped out in a restructuring scenario given that they finance down to levels that exceed what we believe is achievable in a normalized economic environment (e.g., 8.0x EBITDA). Therefore, should a restructuring materialize, we believe the dispute for value recovery will be waged between the CCH I and CIH bondholders.

As impaired bondholders in a restructuring, our primary objective would be to create upside by aggregating as much of the post-restructuring equity as possible. Although we believe CIH to be the likely fulcrum security in a restructuring, it's not a no-brainer. A scenario could certainly materialize whereby CCH I bondholders recover value through some combination of partial debt recovery and equity to the extent (i) Charter fails to capitalize on its growth plan, (i) credit markets remain weak and (iii) cable valuations continue to wallow. Given the uncertainty around the fulcrum security, we believe accumulating positions in both the CCH I and CIH entities will provide Apollo with the requisite level of control to influence any outcome in a restructuring.

With assumed control of 28.2% of the CCH I class (including our current 4.5% face value position) and 14.5% of the CIH class, we would be well positioned to ensure adequate recovery for our investment between a combination of principal redemption and post-restructuring equity. In order for CIH to garner most of the equity, the CCH I bonders must be deemed to be unimpaired. A way to ensure that existing CCH I bondholders recover full value for their positions is to bifurcate the CCH I debt between principal that pays a cash coupon (i.e. reinstate existing CCH I debt), which would be opted for by existing investors and equity or an expensive PIK security, which would be opted for by Apollo and perhaps other non-par hedge fund investors. This approach, which we could drive as large bondholders, would allow us to flex a plan to maximize post-restructuring equity through our ownership in CCH I and CIH. A minimum blocking position in Chapter 11 would be garnered through either (i) a one third plus $1 of the principal amount (e.g., more than one third of the aggregate principal amount outstanding) or (ii) representation of half of the number of bondholders, irrespective of how much each bondholder holds. To actually drive a plan of reorganization requires two thirds in principal

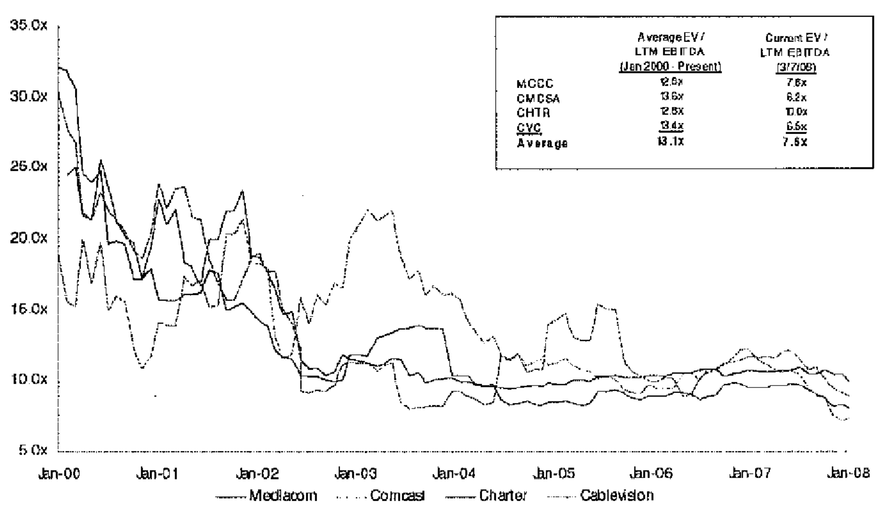
amount and 50% in the number of claimants. In a bankruptcy, CCH I and CIH would have separate voting classes, assuming the structure is not collapsed. Outside Chapter 11, converting debt to equity requires the consent of each party this is converted, as well as the Company. Although, the percentage ownership levels we are targeting are below the minimum blocking requirements, given the amount of debt at Charter, lower thresholds may be enough for Apollo to garner lead creditor status, particularly to the extent we received support from other creditors.

<u>V. Sector Trends</u>

Although our fundamental view of the cable sector has not changed, industry valuations continue to remain at trough levels, primarily due to investor concern over the following factors. First, the worsening economic environment, specifically slower housing starts and increasing foreclosures, threaten to reduce growth in homes passed and increase subscriber churn. Second, competitive pressures have escalated, particularly from the emerging services provided by the telco companies, Verizon and AT&T, who reached 940,000 and 231,000 video subscribers at the end of 2007, respectively. Finally, recent declines in the level of growth of data and telephony subscriber suggest that penetration of advanced services may be nearing a saturation point. It's important to note that despite the challenges facing the MSOs, most of the leading players, including Charter, continue to generate high single/low double digit growth rates in revenue and EBITDA, and have provided similar growth guidance for FY '08.

As the comparable trading valuations in **Appendix I** demonstrate, the sector is currently trading at an average of 7.5x and 6.9x FY '07 and FY '08 EBITDA, respectively (6.9x FY '07 and 6.3x FY '08 excluding Charter). The current valuation level compares to an average of 13.1x LTM EBITDA since January 2000, as reflected in the graph below.

Cable Trading Multiples (January 2000 – Present)



The sector has traded slightly up since our last discussion, primarily due to announcements made by Comcast in conjunction with its release of Q4 '07 earnings. Over the past six months, Comcast has been assailed by shareholders over its lagging stock price and slow response to

competition from the telcos. In an effort to return more cash to shareholders, Comcast announced that it would buy back $7 billion in stock by the end of 2009 and start paying an annual dividend of $0.25 per share, its first since 1999. As for the demands that it take on its telco and DBS rivals more aggressively, Comcast announced that it will (i) adopt more competitive pricing plans for its video, data and telephony services, (ii) broaden the range of product bundles it offers (e.g., telephony/data or telephony/video) and (iii) boost spending on marketing and customer service.

The announcements drove a one-day increase of 8% in the stock price, and overshadowed the actual results of the business. In terms of Q4 '07 performance, Comcast continued to experience a slowdown in top-line financial and operating metrics, with pro-forma y-o-y revenue growth of 9% versus 14% in Q4 '06, and RGU growth failing to meet Wall Street consensus targets by 120,000 units. However, despite slowing revenue growth, Comcast outperformed EBITDA margin estimates, reaching 41.2% in Q4 '07 versus 39.8% in Q4 '06, driving pro-forma y-o-y EBITDA growth of 13%, primarily as a result of ARPU growth and lower than expected marketing costs. For the full year of FY '07, Comcast generated 11% and 13% pro-forma y-o-y growth in revenue and EBITDA, respectively. Comcast also provided FY '08 guidance, which was in line with market expectations and called for (i) 8-10% growth in revenue and EBITDA, (ii) decline in capex to 18% of revenue (versus ~20% in FY '07) and (iii) FCF growth of at least 20%.

Cablevision reported strong Q4 '07 performance after halting customer defections to Verizon, who markets video service across 30% of Cablevision's footprint. The market responded positively to Cablevision's fourth quarter results, which were highlighted by cable television net revenue growth of 8.6%, quarterly addition of 208,000 RGUs, and ARPU of $125. For the full year, consolidated net revenue increased 11.3% to $6.5 billion, driven by the addition of 798,000 RGUs. Consolidated EBITDA grew 16.8% y-o-y to $2.1 billion. Cablevision's ability to add basic video subscribers was a significant accomplishment given the competitive threat posed by Verizon.

Similar to Comcast, Time Warner Cable ("TWC") continued to experience a slowdown in subscriber metrics in Q4 '07, losing 50,000 basic subscribers in the quarter and failing to meet Wall Street consensus targets by 119,000 units. For the full year, on a pro forma basis for acquired assets, revenue and EBITDA for Time Warner's systems grew by 8.1% and 11.5% y-o-y, respectively. As part of its earnings announcement, TWC also provided FY '08 guidance in line with market expectations, including 9% revenue growth, 9-11% EBITDA growth and 20% FCF growth.

At current valuations, analysts remain concerned about the effects of competition and the potential for increased investment (e.g., wireless, plant upgrades), but they believe expectations of future performance are reasonable with room for upside. Other than the release of financial results, the cable operators discussed initiatives for 2008 and beyond to improve subscriber growth / retention and to develop additional revenue streams over the existing infrastructure. Key highlights included the (i) continued roll out of HDTV, VOD, and other advanced video technologies, (ii) implementation of Docsis 3.0 and other network optimization techniques to improve data speeds up to 100Mbps and (iii) increased investment in the development and full-scale launch of commercial and advanced advertising services.

Appendices

I. Public Trading Comparables
II. Precedent Transactions
III. Summary Projections - Base Case and Downside Case
IV. Capital Structure
V. Liquidity summary
VI. Debt Investment Sensitivity Tables - Base Case and Downside Case

Appendix I: Public Trading Comparables

Cable Public Equity Trading Comparables

3/7/2008	Stock Price	Equity Value ($mm)	Enterprise Value ($mm)	TEV / EBITDA (x) 2007A	2008E	2009E	TEV / Subscribers ($) 2007A	2008E	2009E	TEV / EBITDA - Capex (x) 2007A	2008E	2009E
Comcast[1]	19.67	58,981	74,571	6.2	5.6	5.2	3,099	3,094	3,148	12.5	10.4	9.0
Cablevision[2]	23.62	7,014	11,907	6.5	6.1	5.8	3,813	3,874	3,933	10.4	9.1	8.2
Charter[3]	0.96	708	20,969	10.0	9.1	8.2	4,017	4,038	4,060	24.5	18.9	15.3
Mediacom	3.99	421	3,616	7.8	7.2	6.8	2,731	2,771	2,807	15.4	12.9	11.9
TWC[4]	26.67	26,055	40,691	7.1	6.5	5.9	3,071	3,122	3,170	17.7	14.6	12.3
MSO Average (excl. Charter)				6.9	6.3	5.9	3,178	3,215	3,265	14.0	11.7	10.3
Mean				7.5	6.9	6.4	3,346	3,380	3,424	16.1	13.2	11.3
Median				7.1	6.5	5.9	3,099	3,122	3,170	15.4	12.9	11.9
High				10.0	9.1	8.2	4,017	4,038	4,060	24.5	18.9	15.3
Low				6.2	5.6	5.2	2,731	2,771	2,807	10.4	9.1	8.2

Source: Public filings and Wall Street research

Notes

1 Includes $8,061mm adjustment for public equity stakes and other investments, including SpectrumAcquisitionCo; includes $6,959mm adjustment for content assets, based on Wall Street research

2 Includes non-cable asset and other ownership adjustments of $4,521mm based on research estimates

3 Enterprise value is based on the book value of debt

4 Excludes $2,500mm adjustment for tax attributes; and includes $733mm adjustment for Spectrum acquisition and other investments

Cable Financial and Operating Performance

3/7/2008	'07-'08 Rev. Growth (%)	2008E EBITDA Margin (%)	2008E Penetration of Homes Passed (%) Video	HSD	VoIP	Total Debt / EBITDA (x) LTM	2008E
Comcast	9.3	40.7	48.0	29.6	13.7	2.6	2.4
Cablevision	6.1	38.6	65.0	51.7	38.7	5.7	5.2
Charter	8.8	35.8	44.0	27.1	10.7	9.6	8.7
Mediacom	6.3	38.5	45.5	25.7	9.2	6.6	6.4
Time Warner Cable	7.6	36.5	48.6	31.7	14.7	2.1	2.2
MSO Average (excl. Charter)			51.8	34.7	19.1	4.3	4.0
Mean			50.2	33.1	17.4	5.3	5.0
Median			48.0	29.6	13.7	5.7	5.2
High			65.0	51.7	38.7	9.6	8.7
Low			44.0	25.7	9.2	2.1	2.2

Appendix II: Precedent Transactions

Recent Transaction Comparables

Date Announced	Buyer	Seller	Consideration	Price ($mm)	Subs (000s)	LTM EBITDA ($mm)	Price/Sub.	LTM EBITDA Multiple
Greater than $1bn								
May-07	Dolan Family	Cablevision	Cash	17,487	3,127	1,629	$5,592	10.7x
Nov-05	Cebridge Connections	Cox	Cash	2,550	940	255	$2,712	10.0x
Jun-05	Dolan Family	Cablevision	Cash	13,600	2,985	1,248	$4,556	10.9x
Apr-05	Time Warner & Comcast	Adelphia Communications Corp.[1]	Cash & Stock in TWC	17,600	5,017	1,354	$3,700	13.0x
Dec-05	Carlyle Group, controlling shareholders	Insight Communications	Cash	2,255	1,272	451	$3,544	10.0x
Aug-04	Cox Enterprises	Cox (Class A Shareholders)	Cash	23,984	6,317	2,241	$3,797	10.7x
Aug-02	AOL Time Warner	AT&T Broadband	Cash, Stock, 21% TWC Stake	8,500	2,308	850	$3,683	10.0x
Less than $1bn								
Apr-07	Comcast	Patriot Media	Cash	493	81	47	$6,067	10.5x
Jan-07	Knology	PrairieWave	Cash	255	64	34	$3,984	7.5x
Aug-06	Astound Broadband	RCN	Cash	45	18	na	$2,500	na
Aug-06	WideOpenWest	Sigecom	Cash	117	30	14	$3,900	8.2x
Jul-06	Seaport Capital	Everest Global Technology Group	Cash	86	34	12	$2,521	7.0x
Apr-06	Comcast	Susquehanna Communications[2]	Cash	775	226	73	$3,427	10.6x
Apr-06	Cebridge	Charter Communications[3]	Cash	760	240	84	$3,167	9.0x
Feb-06	Wave Division	Millennium Cable	Cash	175	70	na	$2,500	na
Feb-06	New Wave	Charter Communications	Cash	152	76	na	$2,000	na
Jan-06	Cox Communications	Cable America	Cash	121	35	na	$3,457	na
Dec-05	Avista Capital Partners	WideOpenWest (WOW)	na	800	357	90	$2,241	8.9x
Jun-05	MidOcean Partners and Crestview	Adelphia - Puerto Rico Assets	Cash	520	137	56	$3,796	9.3x
Sep-03	Atlantic Broadband Finance / ABRY	Charter Communications	Cash	765	235	74	$3,255	10.3x
Jul-03	Susquehanna Communications	RCN Corp.	Cash	120	30	11	$4,027	10.5x
Feb-03	Advance/Newhouse & CEQUEL III	Shaw Communications	Cash	197	71	17	$2,775	11.6x
Aug-02	Spectrum Equity & Steve Simmons	RCN Corp.	Cash	289	80	20	$3,613	14.4x
Apr-02	Bresnan Communications	AT&T Broadband	Cash, Preferred & Common Equity Interests	675	317	59	$2,132	11.4x

LTM Average	$5,215	9.6x
LTM Median	$5,592	10.5x

Average	$3,456	10.2x
Median	$3,501	10.4x

Source: Company filings, press releases, MergerMarket

Notes:

(1) Subscriber multiple adjusted to reflect joint ventures

(2) Adj. EBITDA excludes mgmt fee to Susquehanna Media; unadjusted EBITDA multiple is 11.3x

(3) Based on adjusted EBITDA of $84mm

Appendix III: Summary Projections - Base Case and Downside Case

Charter Apollo Base Case Revenue Summary

($ in millions)

	FYE December 31 2007A	FYE December 31 2012E	CAGR '07-'12	Base Case Logic
Basic	$2,569.9	$3,128.0	4.0%	• Assumes -0.5% CAGR in homes passed, 44.0% penetration of basic homes passed by FY '12 and 4.7% CAGR in basic ARPU (3.0% base ARPU growth plus an additional $1.00, $1.75 and $1.00 retransmission ARPU per basic sub in FY '08, FY '09 and FY '10, respectively)
% of Total	*43.0%*	*37.3%*		
Digital	$341.4	$375.5	1.9%	• Assumes 99.2% digital homes passed as a % of basic homes passed by FY '12, 62.0% digital subs as a % of basic subs by FY '12 and 0.0% CAGR in digital ARPU
% of Total	*5.7%*	*4.5%*		
Premium	$225.0	$255.2	2.5%	• Assumes 50.0% premium subs as a % of basic subs in FY '07 increasing to 50.0% premium subs as a % of basic subs by FY '12 driven by digital growth and a 1.5% CAGR in premium ARPU
% of Total	*3.8%*	*3.0%*		
VOD	$123.2	$208.8	11.1%	• Assumes 90.0% VOD subs as a % of digital subs by FY '10, 1.0% CAGR in cost per video and -10.1% CAGR in monthly VOD buys per sub as VOD becomes available across all Charter digital ready homes by FY '10
% of Total	*2.1%*	*2.5%*		
HD	$46.7	$144.7	25.4%	• Assumes 40.0% HD subs as a % of digital subs by FY '12, -7.0% CAGR in HD Converter per HD Sub and 0.0% CAGR in HD Tier per HD Sub
% of Total	*0.8%*	*1.7%*		
DVR	$63.7	$111.6	11.9%	• Assumes 50.0% DVR subs as a % of digital subs by FY '12, -7.0% CAGR in DVR Converter per DVR Sub
% of Total	*1.1%*	*1.3%*		
Total Video	**$3,370.0**	**$4,223.8**	**4.6%**	
% of Total	***56.4%***	***50.3%***		
Data	$1,248.0	$1,900.1	8.8%	• Assumes 95.0% data homes passed as a % of basic homes passed by FY '12, 38.0% penetration of data homes passed by FY '12, -1.0% CAGR in data service ARPU and -1.0% CAGR in monthly modem rental ARPU
% of Total	*20.9%*	*22.6%*		
Telephony	$343.0	$1,067.8	25.5%	• Assumes 90.0% telephony homes passed as a % of basic homes passed by FY '12, 25.0% penetration of telephony homes passed by FY '12 and -2.0% CAGR in telephony ARPU
% of Total	*5.7%*	*12.7%*		
Advertising	$297.0	$379.1	5.0%	• Assumes 5.0% CAGR
% of Total	*5.0%*	*4.5%*		
Commercial	$339.0	$496.4	7.9%	• Assumes 7.9% CAGR
% of Total	*5.7%*	*5.9%*		
Other Revenue	$374.0	$328.2	(2.6%)	• Assumes 3.0% franchise fees as a % of video revenue (excl VOD, DVR, HD) and 3.0% CAGR in other revenues
% of Total	*6.3%*	*3.9%*		
Total Non-Video	**$2,601.0**	**$4,171.5**	**9.9%**	
% of Total	***43.6%***	***49.7%***		
Consolidated Revenue	**$5,971.0**	**$8,395.3**	**7.1%**	

Charter Apollo Base Case EBITDA Summary

($ in millions)

	FYE December 31 2007A	FYE December 31 2012E	CAGR '07-'12	Margin Improv	Base Case Logic
Basic/Premium Prog Exp	$1,295.6	$1,907.9	8.0%		• Assumes 8.8% CAGR in programming expense per basic sub (6.3% CAGR in base expense growth plus an additional $1.00, $1.75 and $1.00 retransmission expense per basic sub in FY '07, FY '08 and FY '09, respectively) and -0.7% CAGR in average basic subs
% of Revenue	*21.7%*	*22.7%*		*103*	
Digital/VOD/DVR/HD Prog	$333.6	$531.7	9.8%		• Assumes 7.7% CAGR in programming expense per digital sub (sports programming driving higher costs) and 1.9% CAGR in average digital subs
% of Revenue	*5.6%*	*6.3%*		*75*	
Total Prog Exp	**$1,629.3**	**$2,439.6**	**8.4%**		
% of Revenue	***27.3%***	***29.1%***		***177***	
Data Service Costs	$236.1	$298.9	4.8%		• Assumes 4.8% CAGR in data service costs (-3.0% CAGR in variable data service costs per sub and 4.2% CAGR in fixed data service costs) and 9.9% CAGR in average data subs
% of Revenue	*4.0%*	*3.6%*		*(39)*	
Telephony Service Costs	$99.4	$210.6	16.2%		• Assumes 16.2% CAGR in telephony service costs (-1.0% CAGR in variable telephony service costs per sub and 4.4% CAGR in fixed telephony service costs) and 28.1% CAGR in average telephony subs
% of Revenue	*1.7%*	*2.5%*		*84*	
Other Service Costs	$533.2	$639.6	3.7%		• Assumes 4.4% CAGR in other service costs per basic sub and -0.7% CAGR in average basic subs
% of Revenue	*6.9%*	*7.6%*		*(132)*	
Total Service Costs	**$868.8**	**$1,149.1**	**5.7%**		
% of Revenue	***14.5%***	***13.7%***		***(87)***	
Advertising Expense	$104.0	$132.7	5.0%		• Assumes constant 35.0% of advertising revenue over the projection period
% of Revenue	*1.7%*	*1.6%*		*(16)*	
Total Direct Exp	**$2,602.0**	**$3,720.4**	**7.4%**		
% of Revenue	***43.6%***	***44.3%***		***74***	
G&A Expense	$1,040.5	$1,200.6	2.9%		• Assumes 100% pass through of franchise fee revenue, 5.0% CAGR in bad debt expense and 5.0% CAGR in other G&A
% of Revenue	*17.4%*	*14.3%*		*(313)*	
Marketing Expense	$227.5	$427.4	13.4%		• Assumes 20.0% growth in marketing expense in 2008 to introduce new services, with growth scaling down to 10.0% in 2012
% of Revenue	*3.8%*	*5.1%*		*128*	
Total Op Exp	**$3,870.0**	**$5,348.3**	**6.7%**		
% of Revenue	***64.8%***	***63.7%***		***(111)***	
EBITDA	**$2,101.0**	**$3,047.0**	**7.7%**		
% Margin	***35.2%***	***36.3%***		***111***	

Appendix III: Summary Projections - Base Case and Downside Case (cont'd)

Charter Downside Case Revenue Summary

($ in millions)

	FYE December 31 2007A	FYE December 31 2012E	CAGR '07-'12	Downside Case Logic
Basic	$2,569.9	$2,921.5	2.6%	Assumes -2.0% CAGR in homes passed, 44.0% penetration of basic homes passed by FY '12 and 4.7% CAGR in basic ARPU (3.0% base ARPU growth plus an additional $1.00, $1.75 and $1.00 retransmission ARPU per basic sub in FY '08, FY '09 and FY '10, respectively)
% of Total	43.0%	38.5%		
Digital	$341.4	$340.4	(0.7%)	Assumes 99.2% digital homes passed as a % of basic homes passed by FY '12, 60.0% digital subs as a % of basic subs by FY '12 and 0.0% CAGR in digital ARPU
% of Total	5.7%	4.5%		
Premium	$225.0	$238.3	1.2%	Assumes 50.0% premium subs as a % of basic subs in FY '07 increasing to 50.0% premium subs as a % of basic subs by FY '12 driven by digital growth and a 1.5% CAGR in premium ARPU
% of Total	3.8%	3.1%		
VOD	$123.2	$189.3	9.0%	Assumes 90.0% VOD subs as a % of digital subs by FY '10, 1.0% CAGR in cost per video and -10.1% CAGR in monthly VOD buys per sub as VOD becomes available across all Charter digital ready homes by FY '10
% of Total	2.1%	2.5%		
HD	$46.7	$131.1	22.9%	Assumes 40.0% HD subs as a % of digital subs by FY '12, -7.0% CAGR in HD Converter per HD Sub and 9.9% CAGR in HD Tier per HD Sub
% of Total	0.8%	1.7%		
DVR	$63.7	$101.1	9.7%	Assumes 50.0% DVR subs as a % of digital subs by FY '12, -7.0% CAGR in DVR Converter per DVR Sub
% of Total	1.1%	1.3%		
Total Video	**$3,370.0**	**$3,921.7**	**3.1%**	
% of Total	***56.4%***	***51.7%***		
Data	$1,248.0	$1,654.5	5.8%	Assumes 95.0% data homes passed as a % of basic homes passed by FY '12, 35.0% penetration of data homes passed by FY '12, -1.0% CAGR in data service ARPU and -1.0% CAGR in monthly modem rental ARPU
% of Total	20.9%	21.8%		
Telephony	$343.0	$806.3	18.6%	Assumes 90.0% telephony homes passed as a % of basic homes passed by FY '12, 10.0% penetration of telephony homes passed by FY '12 and -2.0% CAGR in telephony ARPU
% of Total	5.7%	10.6%		
Advertising	$297.0	$379.1	5.0%	Assumes 5.0% CAGR
% of Total	5.0%	5.0%		
Commercial	$339.0	$496.4	7.9%	Assumes 7.9% CAGR
% of Total	5.7%	6.6%		
Other Revenue	$374.0	$320.4	(3.0%)	Assumes 3.0% franchise fees as a % of video revenue (excl VOD, DVR, HD) and 3.0% CAGR in other revenues
% of Total	6.3%	4.2%		
Total Non-Video	**$2,601.0**	**$3,656.7**	**7.1%**	
% of Total	***43.6%***	***48.3%***		
Consolidated Revenue	**$5,971.0**	**$7,578.4**	***4.9%***	

Charter Downside Case EBITDA Summary

($ in millions)

	FYE December 31 2007A	FYE December 31 2012E	CAGR '07-'12	Margin Improv	Downside Case Logic
Basic/Premium Prog Exp	$1,295.6	$1,781.9	6.6%		Assumes 8.8% CAGR in programming expense per basic sub (6.3% CAGR in base expense growth plus an additional $1.00, $1.75 and $1.00 retransmission expense per basic sub in FY '07, FY '08 and FY '09, respectively) and -2.0% CAGR in average basic subs
% of Revenue	21.7%	23.5%		181	
Digital/VOD/DVR/HD Prog	$333.6	$482.0	7.6%		Assumes 7.7% CAGR in programming expense per digital sub (sports programming driving higher costs) and -0.1% CAGR in average digital subs
% of Revenue	5.6%	6.4%		77	
Total Prog Exp	**$1,629.3**	**$2,264.0**	**6.8%**		
% of Revenue	***27.3%***	***29.9%***		***259***	
Data Service Costs	$236.1	$288.1	4.1%		Assumes 4.1% CAGR in data service costs (-3.0% CAGR in variable data service costs per sub and 4.2% CAGR in fixed data service costs) and 6.9% CAGR in average data subs
% of Revenue	4.0%	3.8%		(15)	
Telephony Service Costs	$99.4	$176.2	12.1%		Assumes 12.1% CAGR in telephony service costs (-1.0% CAGR in variable telephony service costs per sub and 4.4% CAGR in fixed telephony service costs) and 21.1% CAGR in average telephony subs
% of Revenue	1.7%	2.3%		66	
Other Service Costs	$533.2	$596.4	2.3%		Assumes 4.4% CAGR in other service costs per basic sub and -2.0% CAGR in average basic subs
% of Revenue	8.9%	7.9%		(106)	
Total Service Costs	**$868.8**	**$1,060.7**	**4.1%**		
% of Revenue	***14.5%***	***14.0%***		***(55)***	
Advertising Expense	$104.0	$132.7	5.0%		Assumes constant 35.0% of advertising revenue over the projection period
% of Revenue	1.7%	1.8%		1	
Total Direct Exp	**$2,602.0**	**$3,457.4**	**5.8%**		
% of Revenue	***43.6%***	***45.6%***		***204***	
G&A Expense	$1,040.5	$1,192.8	2.8%		Assumes 100% pass through of franchise fee revenue, 5.0% CAGR in bad debt expense and 5.0% CAGR in other G&A
% of Revenue	17.4%	15.7%		(169)	
Marketing Expense	$227.5	$427.4	13.4%		Assumes 20.0% growth in marketing expense in 2008 to introduce new services, with growth scaling down to 10.0% in 2012
% of Revenue	3.8%	5.6%		183	
Total Op Exp	**$3,870.0**	**$5,077.5**	**5.6%**		
% of Revenue	***64.8%***	***67.0%***		***219***	
EBITDA	**$2,101.0**	**$2,500.9**	**3.5%**		
% Margin	***35.2%***	***33.0%***		***(219)***	

Appendix IV: Capital Structure

Charter Capital Structure

($ in millions)

Entity / (Covenant)	Security	Rate	Maturity	12/31/2007 Accreted Principal	Feature	Next Call Date	Call Price	Interest Expense	Current Price [1]	Yield to Maturity [1]	Mkt Value of Debt	Mkt Value Leverage[2] 2007A	Mkt Value Leverage[2] 2007A (LQA)
Charter Communications, Inc.	Convertible Notes	5.875%	2009	$49	Convertible	NA	NA	$3	NA	NA	$49		
	Convertible Notes	6.500%	2027	353	Convertible	NA	NA	23	40.500	26.698%	171	9.5x	8.4x
CCHC, LLC (CCHC)	Exch Accreting Sub Note	14.000%	Oct 1, 2020	$65	Exchangeable	NA	NA	$9	NA	NA	$65	9.4x	8.3x
Charter Holdings (8.75x)	Senior Notes	10.000%	Apr 1, 2009	$88	Bullet	NA	NA	$9	90.000	21.053%	$79		
	Senior Notes	10.750%	Oct 1, 2009	63	Bullet	NA	NA	7	90.000	18.428%	57		
	Senior Notes	9.625%	Nov 15, 2009	37	Bullet	NA	NA	4	90.000	16.681%	33		
	Senior Notes	10.250%	Jan 15, 2010	18	Callable	Jul 2, 2007	101.71	2	67.000	36.269%	12		
	Senior Discount	11.750%	Jan 15, 2010	16	Callable	Jul 2, 2007	101.96	2	79.000	26.086%	13		
	Senior Discount	9.920%	Apr 1, 2011	51	Callable	Jul 2, 2007	100.00	5	56.500	33.835%	29		
	Senior Notes	11.125%	Jan 15, 2011	47	Callable	Jul 2, 2007	103.71	5	60.500	33.753%	28		
	Senior Discount	13.500%	Jan 15, 2011	60	Callable	Jul 2, 2007	104.50	8	70.000	29.829%	42		
	Senior Notes	10.000%	May 15, 2011	69	Callable	Jul 2, 2007	103.33	7	56.500	33.110%	39		
	Senior Notes	11.750%	May 15, 2011	54	Callable	Jul 2, 2007	103.92	6	59.000	33.694%	32		
	Senior Discount	12.125%	Jan 15, 2012	75	Callable	Jul 2, 2007	106.06	9	55.500	33.505%	42		
		11.001%		$578				$64			$406	9.3x	8.2x
CCH I Holdings (CIH) (8.75x)	Senior Notes	11.125%	Jan 15, 2014	$151	Callable	Sep 30, 2007	103.71	$17	52.000	31.945%	$79		
	Senior Notes	10.000%	May 15, 2014	299	Callable	Sep 30, 2007	103.33	30	48.500	29.413%	145		
	Senior Discount	9.920%	Apr 1, 2014	471	Callable	Sep 30, 2007	100.00	47	48.500	29.538%	228		
	Senior Discount	13.500%	Jan 15, 2014	581	Callable	Sep 30, 2007	104.50	78	66.500	25.808%	386		
	Senior Discount	11.750%	May 15, 2014	815	Callable	Sep 30, 2007	103.92	96	53.000	29.811%	432		
	Senior Discount	12.125%	Jan 15, 2015	217	Callable	Sep 30, 2007	106.06	26	50.500	31.015%	110		
		11.599%		$2,534				$294			$1,380	8.5x	7.5x
CCH I, LLC (CCH I) (7.5x)	Senior Notes	11.000%	Oct 1, 2015	$3,610	Callable	Oct 1, 2010	105.50	$397	70.500	19.072%	$2,545		
	Senior Notes	11.000%	Oct 1, 2015	473	Callable	Oct 1, 2010	105.50	52	70.500	19.072%	333		
		11.000%		$4,083				$449			$2,879	7.3x	6.4x
CCH II, LLC (CCH II) (5.5x)	Senior Notes	10.250%	Sep 15, 2010	$1,742	Callable	Sep 15, 2008	105.13	$179	92.000	14.148%	$1,603		
	Senior Notes	10.250%	Sep 15, 2010	450	Callable	Sep 15, 2009	105.13	46	87.000	16.812%	392		
	Senior Notes	10.250%	Oct 1, 2013	260	Callable	Oct 1, 2010	105.13	27	87.000	16.812%	226		
		10.250%		$2,452				$251			$2,220	5.8x	5.1x
CCO Holdings (CCOH) (4.5x)	Senior Notes	8.750%	Nov 15, 2013	$795	Bullet	NA	NA	$70	88.000	11.695%	$700		
	Third Lien TL (L+275)	6.775%	Apr 30, 2014	350	Amort	NA	NA	24	NA	NA	350		
		8.145%		$1,145				$93			$1,050	4.7x	4.2x
Charter Operating (CCO) (4.25x)	Second Lien Notes	8.000%	Apr 30, 2012	$1,100	Bullet	NA	NA	$88	94.250	9.717%	$1,037		
	Second Lien Notes	8.380%	Apr 30, 2014	770	Callable	Apr 30, 2009	104.19	65	91.750	10.214%	706		
	New TL (L+200)	7.300%	Apr 30, 2014	1,615	Amort	NA	NA	118	NA	NA	1,615		
	Refinanced TL (L+200)	7.300%	Apr 30, 2014	5,229	Amort	NA	NA	382	NA	NA	5,229		
	Letters of Credit	2.000%	NA	159	NA	NA	NA	3	NA	NA	159		
		7.385%		$8,873				$566			$8,746	4.2x	3.7x

	Rate	Book Value	Interest Expense	Mkt Value
Total Debt [3]	9.147%	$20,132	$1,841	$16,965
Convertible Preferred Stock		5		5
Total Debt+Preferred		$20,137		$16,970
Cash		(75)		(75)
Net Debt		$20,062		$16,895

(1) Source: Apollo Trading Desk as of 3/7/08.
(2) Leverage at market multiple assumes par for tranches senior to specific securities and market value for the specific entity.
(3) Excludes $607 million of intercompany loans.

Appendix V: Liquidity Summary

Charter Liquidity Summary

($ in millions)

	FYE 2008	2009 Q1	2009 Q2	2009 Q3	2009 Q4	2010 Q1	2010 Q2	2010 Q3	2010 Q4	FYE December 31, 2011	2012	2013	2014
Debt at Par at Entity & Below (Downside Case):													
CIH	$19,695.1	$19,804.6	$20,053.9	$20,089.6	$20,466.7	$20,605.9	$20,752.0	$20,775.7	$20,905.1	$21,673.3	$22,158.2	$22,668.4	$23,231.6
CCH I	17,161.1	17,270.6	17,519.9	17,555.6	17,932.2	18,071.9	18,218.0	18,241.7	18,371.1	19,089.3	19,624.2	20,134.4	20,697.6
CCH II	13,078.1	13,187.6	13,436.9	13,472.6	13,849.2	13,988.9	14,135.0	14,158.7	14,288.1	15,006.3	15,541.2	16,051.4	16,614.6
Debt at Par Above Entity (Downside Case):													
CIH	$1,054.8	$1,054.8	$972.2	$972.2	$743.0	$709.0	$709.0	$709.0	$709.0	$478.0	$353.0	$353.0	$353.0
CCH I	3,588.8	3,588.8	3,506.2	3,506.2	3,277.0	3,243.0	3,243.0	3,243.0	3,243.0	2,962.0	2,887.0	2,887.0	2,887.0
CCH II	7,671.8	7,671.8	7,589.2	7,589.2	7,360.0	7,326.0	7,326.0	7,326.0	7,326.0	7,045.0	6,970.0	6,970.0	6,970.0
LTM EBITDA:													
Base Case	$2,312.6	$2,373.1	$2,438.7	$2,500.9	$2,569.8	$2,614.9	$2,663.9	$2,710.3	$2,761.8	$2,900.9	$3,047.0	$3,200.4	$3,361.5
% Y-O-Y Growth	*10.1%*	*10.3%*	*10.6%*	*10.9%*	*11.1%*	*10.2%*	*9.2%*	*8.4%*	*7.5%*	*5.0%*	*5.0%*	*5.0%*	*5.0%*
Downside Case	$2,268.3	$2,307.4	$2,349.8	$2,390.0	$2,434.6	$2,451.4	$2,469.5	$2,486.7	$2,505.8	$2,499.8	$2,500.9	$2,502.0	$2,503.1
% Y-O-Y Growth	*8.0%*	*7.8%*	*7.6%*	*7.5%*	*7.3%*	*6.2%*	*5.1%*	*4.0%*	*2.9%*	*(0.2%)*	*0.0%*	*0.0%*	*0.0%*
FCF Before Debt Amort & Maturities:													
Base Case	($630.9)	($101.3)	($146.9)	($21.9)	($130.5)	($80.7)	($106.6)	$14.3	($87.0)	($155.2)	($28.4)	$110.9	$270.3
Downside Case	(608.1)	(109.5)	(161.3)	(35.7)	(146.0)	(105.7)	(146.1)	(23.7)	(129.4)	(417.2)	(459.9)	(510.2)	(563.2)
Cum FCF Before Debt Amort & Maturities:													
Base Case	($630.9)	($732.1)	($879.0)	($900.9)	($1,031.4)	($1,112.1)	($1,218.7)	($1,204.4)	($1,291.4)	($1,446.6)	($1,475.0)	($1,364.1)	($1,093.8)
Downside Case	(608.1)	(717.6)	(878.9)	(914.6)	(1,060.6)	(1,166.3)	(1,312.4)	(1,336.1)	(1,465.5)	(1,902.7)	(2,362.6)	(2,672.8)	(3,436.0)
Debt Amort/Maturities:	($65.0)	($16.3)	($104.3)	($16.3)	($246.9)	($50.3)	($16.3)	($2,208.3)	($16.3)	($346.0)	($1,240.0)	($1,120.0)	($9,891.0)
Liquidity: (1)													
Revolver Capacity (2)	$304.1	$186.6	$0.0	$0.0	$0.0	$0.0	$0.0	$0.0	$0.0	($340.2)	($508.6)	($462.7)	($257.4)
Incremental Term Loan (3)	1,000.0	1,000.0	935.5	897.4	520.0	389.1	266.2	264.2	161.0	0.0	0.0	0.0	0.0
Cash on Balance Sheet	75.0	75.0	75.0	75.0	75.0	75.0	75.0	75.0	75.0	75.0	75.0	75.0	75.0
Base Case Total	$1,379.1	$1,261.6	$1,010.5	$972.4	$595.0	$464.1	$341.2	$339.2	$236.0	($265.2)	($433.6)	($387.7)	($182.4)
Revolver Capacity (2)	$326.9	$201.2	$0.0	$0.0	$0.0	$0.0	$0.0	$0.0	($13.1)	($796.3)	($1,396.7)	($1,971.4)	($2,599.6)
Incremental Term Loan (3)	1,000.0	1,000.0	935.6	883.6	490.8	334.9	172.5	132.5	0.0	0.0	0.0	0.0	0.0
Cash on Balance Sheet	75.0	75.0	75.0	75.0	75.0	75.0	75.0	75.0	75.0	75.0	75.0	75.0	75.0
Downside Case Total	$1,401.9	$1,276.2	$1,010.6	$958.6	$565.8	$409.9	$247.5	$207.5	$61.9	($721.3)	($1,321.7)	($1,896.4)	($2,524.6)
Multiples at Par:													
CIH - Base Case	8.5x	8.4x	8.2x	8.0x	8.0x	7.9x	7.8x	7.6x	7.5x	7.3x	7.0x	6.6x	6.2x
CIH - Downside Case	8.7x	8.6x	8.5x	8.4x	8.4x	8.4x	8.4x	8.4x	8.3x	8.7x	8.9x	9.1x	9.3x
CCH I - Base Case	7.4x	7.3x	7.2x	7.0x	7.0x	6.9x	6.8x	6.7x	6.6x	6.4x	6.1x	5.8x	5.5x
CCH I - Downside Case	7.6x	7.5x	7.5x	7.3x	7.4x	7.4x	7.4x	7.3x	7.3x	7.6x	7.8x	8.0x	8.3x
CCH II - Base Case	5.7x	5.6x	5.5x	5.4x	5.4x	5.3x	5.3x	5.2x	5.1x	5.0x	4.8x	4.5x	4.2x
CCH II - Downside Case	5.8x	5.7x	5.7x	5.6x	5.7x	5.7x	5.7x	5.7x	5.7x	6.0x	6.2x	6.4x	6.6x
Creation Multiples at Market: (4)													
CIH - Base Case	8.0x	7.8x	7.6x	7.4x	7.3x	7.2x	7.1x	6.9x	6.8x	6.5x	6.2x	5.7x	5.3x
CIH - Downside Case	8.1x	8.0x	7.9x	7.8x	7.7x	7.7x	7.7x	7.6x	7.6x	7.8x	7.9x	8.0x	8.1x
CCH I - Base Case	6.8x	6.6x	6.5x	6.3x	6.2x	6.1x	6.0x	5.8x	5.7x	5.5x	5.0x	4.7x	4.2x
CCH I - Downside Case	6.9x	6.8x	6.7x	6.6x	6.6x	6.5x	6.4x	6.4x	6.4x	6.5x	6.3x	6.6x	6.6x
FCCR:													
CIH - Base Case	0.7x	0.7x	0.7x	0.6x	0.8x	0.8x	0.8x	0.8x	0.9x	0.9x	1.0x	1.1x	1.1x
CIH - Downside Case	0.7x	0.7x	0.7x	0.7x	0.8x	0.8x	0.8x	0.8x	0.8x	0.8x	0.8x	0.7x	0.7x
CCH I - Base Case	0.8x	0.8x	0.9x	0.9x	0.9x	1.0x	1.0x	1.0x	1.0x	1.1x	1.2x	1.3x	1.4x
CCH I - Downside Case	0.8x	0.8x	0.9x	0.9x	0.9x	0.9x	0.9x	0.9x	1.0x	0.9x	0.9x	0.9x	0.9x
CCH II - Base Case	1.2x	1.2x	1.3x	1.3x	1.4x	1.4x	1.4x	1.5x	1.5x	1.6x	1.6x	1.7x	1.9x
CCH II - Downside Case	1.2x	1.2x	1.3x	1.3x	1.3x	1.3x	1.3x	1.3x	1.4x	1.3x	1.2x	1.2x	1.1x

(1) Liquidity analysis assumes Charter repays all debt junior to CIH with revolver/incremental Term Loan capacity and refinances all debt senior to CIH on the existing terms.
(2) Revolver capacity assumes that the Company has drawn $500 mm of its revolver as of 12/31/07.
(3) Assumes the Company is able to access its full $1.0 bn facility by 12/31/08.
(4) Assumes payment of interim interest.

Appendix VI: Debt Investment Sensitivity Tables

Illustrative Exit Scenarios *($ in millions)*

Exit at 80

		Cash	IRR				MOIC			
Coupon	**Maturity**	**Invested[1]**	**2 Years**	**3 Years**	**4 Years**	**Maturity**	**2 Years**	**3 Years**	**4 Years**	**Maturity**
CIH:										
11.750%	5/15/14	$47.9	39.3%	32.1%	28.6%	25.0%	1.8x	2.0x	2.2x	2.7x
13.500%	1/15/14	36.4	30.6%	26.8%	25.0%	23.2%	1.6x	1.8x	2.0x	2.4x
9.920%	4/1/14	49.5	38.9%	30.8%	26.9%	23.0%	1.8x	2.0x	2.2x	2.6x
10.000%	5/15/14	17.2	39.7%	31.4%	27.4%	23.3%	1.8x	2.0x	2.2x	2.6x
12.125%	1/15/15	44.6	39.5%	32.4%	29.0%	24.9%	1.8x	2.0x	2.2x	2.9x
11.125%	1/15/14	15.2	47.6%	37.4%	32.6%	28.0%	2.0x	2.2x	2.5x	2.9x
TOTAL / AVERAGE		**$210.9**	**38.4%**	**31.2%**	**27.9%**	**24.3%**	**1.8x**	**2.0x**	**2.2x**	**2.7x**
CCH I:										
11.000%	10/1/15	$135.3	20.1%	18.4%	17.5%	16.3%	1.4x	1.5x	1.7x	2.3x
TOTAL / AVERAGE		**$346.2**	**31.3%**	**26.2%**	**23.8%**	**21.2%**	**1.6x**	**1.8x**	**2.0x**	**2.5x**

Exit at 90

		Cash	IRR				MOIC			
Coupon	**Maturity**	**Invested[1]**	**2 Years**	**3 Years**	**4 Years**	**Maturity**	**2 Years**	**3 Years**	**4 Years**	**Maturity**
11.750%	5/15/14	$47.9	46.3%	36.1%	31.3%	26.3%	2.0x	2.2x	2.4x	2.9x
13.500%	1/15/14	36.4	36.9%	30.6%	27.5%	24.5%	1.8x	2.0x	2.2x	2.6x
9.920%	4/1/14	49.5	46.0%	34.9%	29.7%	24.4%	2.0x	2.2x	2.4x	2.8x
10.000%	5/15/14	17.2	46.8%	35.5%	30.2%	24.6%	2.0x	2.2x	2.4x	2.8x
12.125%	1/15/15	44.6	46.4%	36.3%	31.6%	26.0%	2.0x	2.2x	2.4x	3.1x
11.125%	1/15/14	15.2	55.0%	41.5%	35.3%	29.4%	2.2x	2.4x	2.6x	3.1x
TOTAL / AVERAGE		**$210.9**	**45.3%**	**35.2%**	**30.6%**	**25.5%**	**2.0x**	**2.2x**	**2.4x**	**2.9x**
CCH I:										
11.000%	10/1/15	$135.3	26.3%	22.1%	20.1%	17.3%	1.5x	1.7x	1.8x	2.4x
TOTAL / AVERAGE		**$346.2**	**37.9%**	**30.1%**	**26.5%**	**22.3%**	**1.8x**	**2.0x**	**2.2x**	**2.7x**

Exit at Par

		Cash	IRR				MOIC			
Coupon	**Maturity**	**Invested[1]**	**2 Years**	**3 Years**	**4 Years**	**Maturity**	**2 Years**	**3 Years**	**4 Years**	**Maturity**
11.750%	5/15/14	$47.9	52.9%	39.8%	33.8%	27.4%	2.2x	2.4x	2.6x	3.1x
13.500%	1/15/14	36.4	43.0%	34.1%	29.9%	25.8%	1.9x	2.1x	2.3x	2.7x
9.920%	4/1/14	49.5	52.8%	38.8%	32.3%	25.7%	2.2x	2.4x	2.5x	3.0x
10.000%	5/15/14	17.2	53.6%	39.4%	32.8%	25.9%	2.2x	2.4x	2.6x	3.0x
12.125%	1/15/15	44.6	53.0%	40.1%	34.1%	27.0%	2.2x	2.4x	2.6x	3.2x
11.125%	1/15/14	15.2	62.1%	45.5%	37.9%	30.7%	2.4x	2.6x	2.8x	3.3x
TOTAL / AVERAGE		**$210.9**	**51.9%**	**39.0%**	**33.0%**	**26.8%**	**2.1x**	**2.3x**	**2.5x**	**3.0x**
CCH I:										
11.000%	10/1/15	$135.3	32.1%	25.6%	22.5%	18.2%	1.7x	1.8x	2.0x	2.5x
TOTAL / AVERAGE		**$346.2**	**44.2%**	**33.8%**	**28.9%**	**23.4%**	**2.0x**	**2.1x**	**2.3x**	**2.8x**

Note: Assumes entry and exit on December 13 of each year where applicable.
(1) Includes payment of accrued interest.

Appendix VI: Debt Investment Sensitivity Tables (cont'd)

Implied Yields at Various Prices and Exits

[shaded] = Denotes sensitivity at current price

$815 million 11.75% CIH Notes Due May 2014

Price	FY '07A EBITDA	Current Yield	Yield to Maturity	Yield to Par 2 Years	Yield to Par 3 Years	Yield to Par 4 Years	Yield to Par 5 Years	Yield to 90 2 Years	Yield to 90 3 Years	Yield to 90 4 Years	Yield to 90 5 Years
53.0	8.5x	22.2%	29.8%	59.4%	44.1%	37.1%	33.1%	52.5%	40.2%	34.6%	31.3%
50.0	8.5x	23.5%	31.8%	64.7%	47.6%	39.8%	35.4%	57.7%	43.7%	37.2%	33.6%
52.5	8.5x	22.4%	30.1%	60.2%	44.6%	37.5%	33.5%	53.3%	40.8%	35.0%	31.7%
55.0	8.5x	21.4%	28.6%	56.1%	41.9%	35.4%	31.7%	49.3%	38.1%	32.9%	29.9%
57.5	8.5x	20.4%	27.2%	52.2%	39.4%	33.4%	30.0%	45.6%	35.6%	30.9%	28.3%
60.0	8.5x	19.6%	25.9%	48.6%	37.0%	31.6%	28.5%	42.2%	33.3%	29.1%	26.7%
62.5	8.5x	18.8%	24.6%	45.2%	34.8%	29.8%	27.0%	38.9%	31.1%	27.4%	25.3%
65.0	8.5x	18.1%	23.5%	42.1%	32.6%	28.2%	25.6%	35.9%	29.1%	25.8%	23.9%
67.5	8.6x	17.4%	22.4%	39.1%	30.7%	26.7%	24.3%	33.1%	27.1%	24.3%	22.6%
70.0	8.6x	16.8%	21.3%	36.4%	28.8%	25.2%	23.1%	30.4%	25.3%	22.8%	21.4%

$581 million 13.50% CIH Notes Due Jan 2014

Price	FY '07A EBITDA	Current Yield	Yield to Maturity	Yield to Par 2 Years	Yield to Par 3 Years	Yield to Par 4 Years	Yield to Par 5 Years	Yield to 90 2 Years	Yield to 90 3 Years	Yield to 90 4 Years	Yield to 90 5 Years
66.5	8.5x	20.3%	26.0%	43.1%	34.1%	29.9%	27.5%	37.0%	30.6%	27.6%	25.8%
50.0	8.5x	27.0%	35.8%	68.5%	51.1%	43.2%	38.8%	61.5%	47.2%	40.7%	37.1%
52.5	8.5x	25.7%	34.0%	63.8%	48.0%	40.8%	36.7%	57.0%	44.2%	38.3%	35.0%
55.0	8.5x	24.5%	32.3%	59.5%	45.1%	38.5%	34.8%	52.8%	41.4%	36.1%	33.1%
57.5	8.5x	23.5%	30.7%	55.5%	42.4%	36.4%	33.0%	48.9%	38.8%	34.0%	31.3%
60.0	8.5x	22.5%	29.2%	51.7%	39.9%	34.5%	31.4%	45.3%	36.3%	32.1%	29.7%
62.5	8.5x	21.6%	27.8%	48.2%	37.6%	32.6%	29.8%	42.0%	34.0%	30.3%	28.1%
65.0	8.5x	20.8%	26.5%	45.0%	35.4%	30.9%	28.3%	38.8%	31.8%	28.5%	26.6%
67.5	8.5x	20.0%	25.3%	41.9%	33.3%	29.3%	26.9%	35.9%	29.8%	26.9%	25.2%
70.0	8.5x	19.3%	24.2%	39.0%	31.4%	27.7%	25.6%	33.1%	27.9%	25.4%	23.9%

$471 million 9.92% CIH Notes Due April 2014

Price	FY '07A EBITDA	Current Yield	Yield to Maturity	Yield to Par 2 Years	Yield to Par 3 Years	Yield to Par 4 Years	Yield to Par 5 Years	Yield to 90 2 Years	Yield to 90 3 Years	Yield to 90 4 Years	Yield to 90 5 Years
48.5	8.5x	20.5%	29.5%	63.8%	45.9%	37.7%	33.1%	56.6%	41.8%	35.1%	31.2%
50.0	8.5x	19.8%	28.6%	61.1%	44.1%	36.4%	32.0%	54.0%	40.1%	33.7%	30.1%
52.5	8.5x	18.9%	27.1%	56.7%	41.3%	34.3%	30.2%	49.8%	37.4%	31.6%	28.3%
55.0	8.5x	18.0%	25.7%	52.7%	38.7%	32.3%	28.6%	46.0%	34.9%	29.7%	26.7%
57.5	8.5x	17.3%	24.4%	49.0%	36.3%	30.4%	27.0%	42.4%	32.5%	27.8%	25.2%
60.0	8.5x	16.5%	23.1%	45.5%	34.0%	28.7%	25.6%	39.1%	30.3%	26.1%	23.7%
62.5	8.5x	15.9%	22.0%	42.3%	31.9%	27.0%	24.2%	35.9%	28.2%	24.5%	22.4%
65.0	8.5x	15.3%	20.9%	39.3%	29.9%	25.5%	22.9%	33.0%	26.2%	23.0%	21.1%
67.5	8.5x	14.7%	19.9%	36.4%	28.0%	24.0%	21.7%	30.3%	24.4%	21.6%	19.9%
70.0	8.6x	14.2%	18.9%	33.7%	26.2%	22.7%	20.6%	27.7%	22.6%	20.2%	18.8%

$4,084 million 11.00% CCH I Notes Due Oct 2015

Price	FY '07A EBITDA	Current Yield	Yield to Maturity	Yield to Par 2 Years	Yield to Par 3 Years	Yield to Par 4 Years	Yield to Par 5 Years	Yield to 90 2 Years	Yield to 90 3 Years	Yield to 90 4 Years	Yield to 90 5 Years
70.5	7.3x	15.6%	19.1%	34.8%	27.4%	23.9%	21.9%	28.8%	23.9%	21.5%	20.1%
50.0	6.9x	22.0%	28.2%	63.3%	46.2%	38.4%	34.0%	56.2%	42.3%	35.8%	32.2%
52.5	6.9x	21.0%	26.8%	58.9%	43.3%	36.2%	32.2%	52.0%	39.4%	33.6%	30.3%
55.0	7.0x	20.0%	25.5%	54.8%	40.6%	34.1%	30.4%	48.0%	36.8%	31.6%	28.6%
57.5	7.0x	19.1%	24.3%	51.0%	38.1%	32.2%	28.8%	44.4%	34.4%	29.7%	27.0%
60.0	7.1x	18.3%	23.1%	47.4%	35.8%	30.4%	27.3%	41.0%	32.1%	27.9%	25.5%
62.5	7.1x	17.6%	22.1%	44.1%	33.6%	28.7%	25.9%	37.8%	29.9%	26.2%	24.1%
65.0	7.2x	16.9%	21.1%	41.0%	31.5%	27.1%	24.5%	34.8%	27.9%	24.7%	22.8%
67.5	7.2x	16.3%	20.1%	38.1%	29.6%	25.6%	23.3%	32.0%	26.0%	23.2%	21.5%
70.0	7.3x	15.7%	19.2%	35.3%	27.8%	24.2%	22.1%	29.3%	24.2%	21.8%	20.3%
72.0	7.3x	15.3%	18.6%	33.2%	26.4%	23.1%	21.2%	27.3%	22.8%	20.7%	19.4%
74.0	7.3x	14.9%	17.9%	31.2%	25.0%	22.0%	20.3%	25.4%	21.5%	19.6%	18.5%